

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2015-16		FY 2016-17	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	1,017,785		1,219,942	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	1,017,785		1,219,942	

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

This bill makes changes to the Indian Child Welfare Act (ICWA). Those changes include: expanding the definition of "active efforts" including the requirement that the Department of Health and Human Services provides frequent family time in both the Indian child's home and the homes of the Indian child's extended family; requiring HHS to provide a written report at every hearing for ICWA cases; expanding the definitions and requirements for qualifications of expert witnesses in ICWA cases; creating a provision for HHS or the state to notify within five days the parent or Indian custodian and the Indian child's tribe(s) whenever voluntary foster care placement or in-home services are offered; establishing new requirements for services provided in voluntary cases; and requiring that HHS prepare a jurisdictional statement to be provided in court prior to a termination or voluntary relinquishment proceeding in cases where HHS is a party or provided assistance, even if assistance from DHHS has ceased at the time of the proceeding.

The changes would increase the cost for services provided to the approximately 234 Native American children each year. The Department of Health and Human Services estimates additional service costs to be \$966,139 in FY 16 and \$1,159,367 in FY 17. An additional program specialist would also be needed. The cost would be \$51,646 in FY 16 and \$60,575 in FY 17.

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

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Date Prepared:(4) 2-25-15

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	<u>FY 2015-2016</u>		<u>FY 2016-2017</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$1,031,411		\$1,237,693	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$1,031,411		\$1,237,693	

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

LB 566 has a fiscal impact on the Department of Health and Human Services.

LB566 amends the current Nebraska Indian Child Welfare Act (Nebraska ICWA), Neb. Rev. Stat. section 43-1501, et seq., by establishing procedures to be followed and expands the Nebraska ICWA by:

1. Providing that a determination of paternity may be based solely on tribal custom rather than genetic testing;
2. Expanding the definition of "active efforts" including the requirement that DHHS provide frequent family time in both the Indian child's home and the homes of the Indian child's extended family;
3. Requiring DHHS to provide a written report at every hearing for ICWA cases;
4. Including Voluntary Services as part of the definition of Voluntary Foster Care;
5. Expanding the definitions and requirements for qualifications of expert witnesses in ICWA cases;
6. Invalidating voluntary consent for DHHS services or relinquishment or termination of parental rights unless the consent was executed before a qualified judge (page 16, lines 6-18).
7. Creating a provision for DHHS or the state to notify within 5 days the parent or Indian custodian and the Indian child's tribe(s) whenever voluntary foster care placement or in-home services are offered;
8. Establishing new requirements for services provided in voluntary cases; and
9. Requiring that DHHS prepare a jurisdictional statement to be provided in court prior to a termination or voluntary relinquishment proceeding in cases where DHHS is a party or provided assistance (even if assistance from DHHS has ceased at the time of the proceeding);

Complying with the above provisions would require DHHS to spend more on direct aid. Provision number 2 in the list above would require DHHS to pay for supervised visits with family members and the transportation costs associated with these visits. It is estimated that DHHS would pay for, on average, an additional supervised visit per week for each ward covered by ICWA. In the first 7 months of SFY15, there were, on average, 234 such wards. Assuming 1) an average visit length of 3.21 hours (paid at \$18 per hour), 2) 12,168 additional visits per year (234 wards times 52 weeks), and 25 miles per visit (paid at \$1.50 per mile), this would result in an increase in expenditures of \$966,139 in SFY16 and \$1,159,367 in SFY17.

In order to comply with the increased reporting requirements in LB566, DHHS would require an additional Program Specialist. This would result in an increase in expenditures of \$65,272 for SFY16 and \$78,326 for SFY17.

This fiscal note assumes that the provisions of this law would take effect on September 1, 2015. Therefore, the fiscal impact in SFY16 is lower than that of SFY17. Also, it is assumed that all of the increased expenditures would be from state general funds since these expenses would not meet requirements for federal reimbursement under IV-E.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:

POSITION TITLE	NUMBER OF POSITIONS		2015-2016	2016-2017
	15-16	16-17	EXPENDITURES	EXPENDITURES
DHHS Program Specialist			\$36,910	\$44,292
Benefits.....			\$7,736	\$9,283
Operating.....			\$20,626	\$24,751
Travel.....				
Capital Outlay.....				
Aid.....			\$966,139	\$1,159,367
Capital Improvements.....				
TOTAL.....			\$1,031,411	\$1,237,693